



STATE OF MAINE  
MAINE REVENUE SERVICES  
PROPERTY TAX DIVISION  
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**SUBJECT: INFORMATION ON PROPERTY TAX BILLS**

Title 36 M.R.S.A., section 507 requires that, “When a municipality issues a property tax bill to each taxpayer, each bill shall contain a statement or calculation that demonstrates the amount or percentage by which the taxpayer’s tax has been reduced by the distribution of state-municipal revenue sharing, state reimbursement for the Maine resident homestead property tax exemption and state aid for education.”

Municipalities may satisfy this statutory requirement by issuing property tax bills which include a statement similar to:

**AS A RESULT OF THE MONEY OUR MUNICIPALITY RECEIVES FROM THE  
STATE LEGISLATURE THROUGH THE STATE MUNICIPAL REVENUE  
SHARING PROGRAM, HOMESTEAD EXEMPTION REIMBURSEMENT AND  
STATE AID TO EDUCATION, YOUR PROPERTY TAX BILL HAS ALREADY  
BEEN REDUCED BY \_\_\_\_\_ %**

The percentage is determined by dividing the total amount of state aid dollars received (Revenue Sharing, Homestead Exemption Reimbursement and Education Subsidy) by the total commitment *plus* the total amount of state aid dollars received. The process is illustrated by the calculation sequence and the supporting example on page 2.



|                                  |  |
|----------------------------------|--|
| Homestead Reimb.                 | (1) _____  |
| Revenue Sharing                  | (2) _____  |
| Education Subsidy                | (3) _____  |
| (1) + (2) + (3) =                | (4) _____  |
| Tax Commitment                   | (5) _____  |
| (4) + (5) =                      | (6) _____  |
| (4) ÷ (6) =                      | 0. _____   |
| Convert decimal<br>to percentage | x100   |
|                                  | <div style="border: 1px solid black; padding: 5px; display: inline-block;">%</div> |

| Example                          |  |
|----------------------------------|--|
| Homestead Reimb.                 | (1) <u>75,000</u>  |
| Revenue Sharing                  | (2) <u>100,000</u>   |
| Education Subsidy                | (3) <u>200,000</u>   |
| (1) + (2) + (3) =                | (4) <u>375,000</u>   |
| Tax Commitment                   | (5) <u>750,000</u>   |
| (4) + (5) =                      | (6) <u>1,125,000</u>   |
| (4) ÷ (6) =                      | 0. <u>3333</u>   |
| Convert decimal<br>to percentage | x 100  |
|                                  | <div style="border: 1px solid black; padding: 5px; display: inline-block;">33.3%</div> |

Some municipalities have chosen another way to satisfy the intent of the law which is by using the following statement:

**Without State Aid For Education, Homestead Exemption Reimbursement and State Revenue Sharing, your tax bill would have been \_\_\_\_\_% higher.**

Using information in the supporting example, the percentage is calculated by dividing line (4) by line (5) and multiplying that result by 100. The answer is 50.0%.

The decision of which statement to use is at the discretion of each individual municipality.

Each bill issued must clearly state the date interest will begin to accrue on delinquent taxes. Please note that the maximum rate that may be charged for 2001 tax assessments is 11.5% simple interest.

For current estimates on Revenue Sharing you may call Treasury at 624-7477 or for Education Subsidy the phone number would be 624-6790.

For information please write or call:

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